



Memorandum # 22/2006

Commonwealth of Massachusetts | Public Employee Retirement Administration Commission
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Joseph E. Connarton, *Executive Director*

MEMORANDUM

TO: All Retirement Boards

FROM: Robert A. Dennis, Investment Director

RE: Tobacco Company List

DATE: April 6, 2006

On October 22, 1997 PERAC Memo #37/1997 informed you of the adoption of Chapter 119 of the Acts of 1997. That statute prohibits retirement systems from making any new investments in stocks, securities, or other obligations of any company which derives more than 15% of its revenue from the sale of tobacco products. On December 18, 1997 PERAC sent Memo #48 regarding the implementation of Chapter 119 and the first Tobacco Company List.

Enclosed please find a Tobacco Company List dated March 2006. This list replaces any other Tobacco Company List previously sent to your board and is effective upon receipt by the retirement boards. Most of these companies appeared on previous lists and such investments were prohibited from the time the companies first appeared on the list. Please forward a copy to your investment advisors or inform them that this list is available on the PERAC Home Page under the Investment Unit's 2006 Memo Index.

As part of its audit process, PERAC will assess the portfolio of each board to determine compliance. That review will determine if the board, after January 13, 1998, has purchased stock, securities, or other obligations of any company which derives more than 15% of its revenue from the sale of tobacco products. In the event a portfolio is not in compliance, the board must bring the portfolio into compliance by divesting in a prudent manner. Prior to taking any action, the board shall consult with PERAC.

In applying the statute to pooled funds, PERAC will assess the 15% rule against the entire pool as the board is purchasing shares in the pool not the individual holdings of the pool. Thus a pooled fund, if in violation of this standard, will be included on the list.

If you have any questions, please call me at 617-666-4446 ext. 922.

Enclosure

TOBACCO COMPANY LIST

March 2006

COMPANY

COUNTRY

Alec Bradley Cigar Corporation	United States
Alliance One International, Inc.	United States
Altria Group, Inc.	United States
AMCON Distributing Company	United States
American Way Business Development Corporation	United States
Caribbean Cigar Company	United States
Carolina Group	United States
Delek Resources, Inc.	United States
Evolve One, Inc.	United States
iCommerce Group Inc.	United States
Loews Corporation	United States
M&F Worldwide Corporation	United States
Niche Resources, Inc.	United States
Noble Brands, Inc.	United States
North Atlantic Trading Company	United States
Pantry, Inc. (The)	United States
Reynolds American, Inc.	United States
Schweitzer-Mauduit International, Inc.	United States
Star Scientific, Inc.	United States
Universal Corporation	United States
UST Inc.	United States
Vector Group, Ltd.	United States

Alpha Tobacco Manufacturing Co. Ltd.	Bangladesh
British American Tobacco Bangladesh Co. Ltd.	Bangladesh

Souza Cruz SA	Brazil
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Asenovgrad BT	Bulgaria
Blagoevgrad BT	Bulgaria
Bulgartabak Holding	Bulgaria
Dupnitza BT	Bulgaria
Haskovo BT	Bulgaria
Plovdiv BT	Bulgaria
Shoumen BT	Bulgaria
Sofia BT	Bulgaria

Alimentation Couche-Tard Inc.	Canada
Rothmans, Inc.	Canada

COMPANYCOUNTRY

Compania Chilena de Tabacos SA

Chile

Mudanjiang Hengfeng Paper Co., Ltd.
Shanghai Industrial HoldingsChina
China

Compania Colombiana de Tabaco SA

Colombia

Tvornica Duhana Zagreb

Croatia

Philip Morris CR AS

Czech Republic

Eastern Tobacco Company

Egypt

British American Tobacco (Ghana)

Ghana

Hellenic Duty Free Shops S.A.
Karelia Tobacco Co. SA
Keranis Holdings S.A.Greece
Greece
Greece

Tabacalera Hondurena

Honduras

Godfrey Phillips India Ltd.
GTC Industries Ltd.
I.T.C. Ltd.
Kothari Products Limited
RTCL Ltd.
VST Industries Ltd.India
India
India
India
India
IndiaPT B.A.T. Indonesia
PT Bentoel Internasional Investama Tbk
PT Gudang Garam TbkIndonesia
Indonesia
Indonesia

Jerusalem Cigarette

Israel

Societe Ivoirienne des Tabacs

Ivory Coast

Carreras Group Ltd.

Jamaica

Japan Tobacco Inc.
Seven & I Holdings Co. Ltd.Japan
JapanInternational Tobacco & Cigarette Company Ltd.
Union TobaccoJordan
Jordan

COMPANYCOUNTRY

British American Tobacco Kenya, Ltd.

Kenya

British American Tobacco Bhd
JT International BhdMalaysia
Malaysia

Grupo Carso, SA de CV

Mexico

Khyber Tobacco Company Ltd.
Lakson Tobacco Company Ltd.
Pakistan Tobacco Co. Ltd.
Sarhad Cigarette Industries Ltd.Pakistan
Pakistan
Pakistan
PakistanDistell Group Ltd.
Remgro LimitedSouth Africa
South Africa

KT&G Corporation

South Korea

Altadis SA
Compania de Distribucion Integral Logista, SASpain
Spain

Ceylon Tobacco Co. Ltd.

Sri Lanka

Swedish Match

Sweden

Compagnie Financiere Richemont AG

Switzerland

President Chain Store Corporation
Taiwan FamilyMart Co., Ltd.Taiwan
Taiwan

Tanzania Cigarette Company

Tanzania

West Indian Tobacco Company Ltd.

Trinidad and Tobago

British American Tobacco, Plc
C.I. Traders Limited
Dickinson Legg Group Plc
Gallaher Group Plc
Imperial Tobacco Group Plc
Molins PlcUnited Kingdom
United Kingdom
United Kingdom
United Kingdom
United Kingdom
United Kingdom

British American Tobacco (Zambia) Plc

Zambia

British American Tobacco Zimbabwe Holdings Limited

Zimbabwe